CRS Report for Congress

Homeland Security Grant Formulas:
A Comparison of Formula Provisions in S. 21 and H.R. 1544, 109th Congress

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Shawn Reese
Analyst in American National Government
Government and Finance Division

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Homeland Security Grant Formulas: A Comparison of Formula Provisions in S. 21 and H.R. 1544, 109th Congress

Summary

In FY2005, Congress appropriated $3.6 billion for state and local homeland security assistance programs. These homeland security assistance programs include the: State Homeland Security Grant Program (SHSGP); Urban Area Security Initiative (UASI); Law Enforcement Terrorism Prevention Program (LETPP); Citizen Corps Programs (CCP); Assistance to Firefighters (FIRE); and Emergency Management Performance Grants.

In the FY2005 DHS appropriations (P.L. 108-334), Congress directed DHS to allocate funding for SHSGP, LETPP, EMPG, and CCP in the same manner as the FY2004 allocations. The minimum allocations are based on the formula of 0.75% of total appropriations guaranteed to each state, 0.25% of total appropriations guaranteed to each U.S. territory, and the remainder of total appropriations are based on the states' population percentage of the total national population. The actual FY2005 minimum allocation, including SHSGP and LETPP, was $11.25 million for each state and $3.75 million for each territory. In the absence of statutes or congressional guidance, DHS, in FY2004, decided to allocate the remaining appropriations in direct proportion to the ratio of each states's population to the total national population.

UASI grants are the only DHS assistance that is distributed based on threat and risk factors. On May 3, 2003, former DHS Secretary Tom Ridge testified before the Senate Governmental Affairs Committee and stated that DHS uses risk and threat assessments, location of critical infrastructure, and population as factors in determining which metropolitan areas receive funding from UASI.

In August 2004, however, the National Commission on Terrorist Attacks Upon the United States (9/11 Commission) questioned the way state and local homeland security assistance is allocated and argued that federal homeland security assistance should not "remain a program for general revenue sharing."

In the 109th Congress, a bill passed by the House (H.R. 1544, "Faster and Smarter Funding for First Responders Act of 2005") and a bill reported by the Senate Homeland Security and Governmental Affairs Committee (S. 21, "Homeland Security Enhancement Act of 2005") propose to alter the formulas for allocating federal homeland security assistance to states and localities. Both bills propose that ODP use risk factors in determining state and locality homeland security assistance.

This CRS report summarizes and compares the pertinent parts of the two bills. Specifically, the report compares the homeland security assistance distribution formulas in S. 21 and H.R. 1544 (**Table 2**), presents estimated guaranteed amounts each state would receive under the House and Senate formulas (**Table 3**), and a step-by-step process for distribution of federal homeland security assistance (**Appendix A** and **B**), as proposed by these two bills.

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Introduction

In FY2005, Congress appropriated $3.6 billion for state and local homeland security assistance programs.[1] These homeland security assistance programs include:

- the State Homeland Security Grant Program (SHSGP);
- the Urban Area Security Initiative (UASI);
- the Law Enforcement Terrorism Prevention Program (LETPP);
- the Citizen Corps Programs (CCP);
- Assistance to Firefighters (FIRE); and
- Emergency Management Performance Grants (EMPG).

In the FY2005 DHS appropriations (P.L. 108-334), Congress directed DHS to allocate funding for SHSGP, LETPP, EMPG, and CCP in the same manner as the FY2004 allocations. The minimum allocations are based on the formula of 0.75% of total appropriations guaranteed to each state, 0.25% of total appropriations guaranteed to each U.S. territory, and the remainder of total appropriations are based on the states' population percentage of the total national population.[2] The actual FY2005 minimum allocation, including SHSGP and LETPP, was $11.25 million for each state and $3.75 million for each territory. In the absence of statutory or other congressional guidance, DHS allocated the remaining appropriations for FY2004 in direct proportion to the ratio of each states's population to the total national population.[3]

FIRE grants are distributed based on individual fire department applications for funding. UASI grants are the only DHS assistance that is distributed based on threat and risk factors. On May 3, 2003, then- DHS Secretary Tom Ridge, testifying before the Senate Governmental Affairs Committee, said that DHS uses risk and threat assessments, location of critical infrastructure, and population as factors in determining which metropolitan areas receive funding from UASI.

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[1] P.L. 108-334. FY2005 DHS appropriations by program area are shown in **Table 1**.

[2] P.L. 107-56, Sec. 1014, and P.L. 108-334 (FY2005 DHS appropriations).

[3] U.S. Department of Homeland Security, Office for Domestic Preparedness, *Fiscal Year 2005 Homeland Security Grant Program: Program Guidelines and Application Kit,* (Washington: Nov. 2004), p. 1.

In August 2004, however, the National Commission on Terrorist Attacks Upon the United States (9/11 Commission) criticized the way state and local homeland security assistance is allocated and argued that federal homeland security assistance should not "remain a program for general revenue sharing."[4] While acknowledging that "every state and city needs to have some minimum infrastructure for emergency response," the 9/11 Commission recommended that state and local homeland security assistance should "supplement state and local resources based on the risks or vulnerabilities that merit additional support." The Commission offered two high-risk, vulnerable cities as examples, saying, "Now, in 2004, Washington, D.C., and New York City are certainly at the top of any such list."[5]

Table 1. FY2005 Appropriations for State and Local Homeland Security Assistance Programs

(All amounts in millions)

Assistance Program	FY2005 Appropriations
State Homeland Security Grant Program	$1,100
Urban Area Security Initiative	$1,200
High-Threat, High-Risk Urban Areas	*[$860]*
Port Security	*[$150]*
Rail Security	*[$150]*
Trucking Industry Security	*[$5]*
Intra-City Bus Security	*[$10]*
Non-Governmental Organization Security	*[$25]*
Law Enforcement Terrorism Prevention	$400
Assistance to Firefighters	$715
Emergency Management Performance Grants	$180
Citizen Corps Programs	$15

Source: P.L. 108-334 (FY2005 DHS appropriations).

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[4] National Commission on Terrorist Attacks Upon the United States, *The 9/11 Commission Report* (Washington: GPO, July 2004), p. 396.

[5] Ibid.

Legislation in the 109th Congress

In the 109th Congress, one bill, passed by the House on May 13, 2005 (H.R. 1544, "Faster and Smarter Funding for First Responders Act of 2005")[6] and one bill reported by the Senate Homeland Security and Governmental Affairs Committee (S. 21, "Homeland Security Enhancement Act of 2005")[7] propose to alter the formulas for allocating federal homeland security assistance to states and localities. Both bills propose that ODP use risk factors in determining state and locality homeland security assistance. Among the differences between the two bills are the following:

- S. 21 proposes a guaranteed funding base for each state;

- S. 21 proposes to establish a task force to assist the DHS Secretary establish essential terrorism preparedness capabilities;

- S. 21 proposes to authorize metropolitan communities to apply as a metropolitan region;

- S. 21 proposes an authorization of appropriations of $2.9 billion in FY2006 and FY2007 for the covered grant programs;

- H.R. 1544 proposes to allocate funding to states based on threat and risk, however each state is guaranteed a minimum if it does not meet a specified threshold (0.25% or 0.45%) after funding is allocated by threat and risk factors;

- H.R. 1544 proposes to establish a task force to assist the DHS Secretary in updating, revising, or replacing essential first responder capabilities, and a First Responder Grant Board to evaluate and prioritize state homeland security assistance applications based on risk; and

- H.R. 1544 proposes a Government Accountability Office report on the inventory and status of homeland security first responder training.

- H.R. 1544 proposes a 25% state matching requirement.

This CRS report summarizes and compares the pertinent parts of the two bills. Specifically, the report compares the homeland security assistance distribution formulas in S. 21 and H.R. 1544 (**Table 2**), presents estimated guaranteed amounts each state would receive under the House and Senate formulas (**Table 3**), and

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[6] Reported by the House Homeland Security Committee on April 21, 2005 (H Rept. 109-65).

[7] Reported by the Senate Homeland Security and Governmental Affairs Committee on April 13, 2005.

discusses a step-by-step process for distribution of federal homeland security assistance (**Appendix A** and **B**), as proposed by these two bills.

S. 21

S. 21, as reported, would combine SHSGP, LETTP, and UASI into a single grant program (Threat-Based Homeland Security Grant Program). Allocation of funding would be based on a sliding scale baseline or fixed minimum base, with remainder of funding distributed based on risk factors — up to 50% of the threat-based funding is to be distributed to high-threat, high-risk urban areas.[8]

Additionally, the bill proposes to establish an interagency committee to coordinate and streamline homeland security grant programs. The interagency committee would:

- consult with state and local governments and emergency responders regarding their homeland security needs and capabilities;

- advise the DHS Secretary on the development of homeland security performance measures;

- compile a list of homeland security assistance programs; and

- develop a proposal to coordinate the planning, reporting, application, and other guidance for federal homeland security assistance.[9]

The bill proposes to establish an information clearinghouse to assist states, localities, and first responders with homeland security grant information, technical assistance, best practices, and use of federal funds. The bill proposes to establish a task force to assist the DHS Secretary establish essential terrorism preparedness capabilities, and proposes to authorize metropolitan communities to apply as a metropolitan region.[10] S. 21 proposes an authorization of appropriations of $2.9 billion in FY2006 and FY2007 for the covered grant programs.[11]

The bill would also authorize the DHS Secretary to deny entry into the United States to any commercial vehicle carrying solid waste, unless the DHS Secretary certified that the waste had been screened for chemical, nuclear, biological, and radiological weapons.[12] The DHS Secretary would also be required to support the development and update of national voluntary standards for emergency responder

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[8] S. 21, Sec. 4. See **Table 2** for specific information on the grant formula, and **Appendix A** for the step-by-step process for determining state minimum allocations.

[9] S. 21, Sec. 2.

[10] S. 21, Sec. 3.

[11] S. 21, Sec. 4.

[12] Ibid.

equipment[13]. Finally, the bill proposes the establishment of an International Border Community Interoperable Communications Demonstration Project.[14]

H.R. 1544

H.R. 1544, as passed by the House, would give the DHS Secretary discretionary authority to allocate total appropriations, based on the First Responder Grant Board's evaluation and prioritization (based on risk) of state homeland security assistance applications.[15] Additionally, the bill would guarantee states at least 0.25% or 0.45% of total appropriations for the covered grants. States with a significant international border or adjoining a body of water through which an international boundary line extends would be deemed high-risk and receive at least 0.45% of total appropriations. The states without these high-risk criteria would receive at least 0.25% of total appropriations.[16]

H.R. 1544 proposes to establish a task force to assist the DHS Secretary in updating, revising, or replacing essential first responder capabilities, and a First Responder Grant Board to evaluate and prioritize state homeland security assistance applications based on risk.[17]

The bill would establish regional, state, and tribal homeland security assistance application standards. Additionally, the bill would establish accountability requirements and criteria for the use of homeland security assistance funds.[18] States, two years after enactment of H.R. 1544, would be required to provide a 25% match of federal assistance funding. The DHS Secretary would also be required to support the development and update of national voluntary standards for emergency responder equipment.[19] The bill would also require states to match 25% of federal funds.

Finally, the bill calls for a Government Accountability Office report on the inventory and status of homeland security first responder training.[20]

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[13] Ibid.

[14] S. 21, Sec. 5.

[15] H.R. 1544, Sec. 3. See **Table 2** for specific information on the grant formula, and **Appendix B** for the step-by-step process for determining state allocations.

[16] Ibid.

[17] Ibid.

[18] Ibid.

[19] Ibid.

[20] H.R. 1544, Sec. 6.

Comparison of S. 21 and H.R. 1544
Grant Allocation Formulas

S. 21 proposes a guaranteed funding base to each state with remainder of funding allocated on risk criteria. H.R. 1544 proposes to allocate funding based on risk criteria, however, states are guaranteed at least 0.25% or 0.45% of total appropriations depending on location criteria.

The following tables compare the provisions of the bills that would alter the formula used in allocating funding to states and localities for homeland security assistance, and depict the estimated guaranteed amounts each state would be allocated under the bills. CRS is unable to determine individual states' threat and risk variables; thus **Table 3** depicts guaranteed amounts.

Table 2. Side-By-Side Comparison of S. 21 and H.R. 1544
Homeland Security Grant Formula Provisions

Topic	S. 21	H.R. 1544
Grant Programs *Not* Covered by New Formula	Would exclude the following grant programs: Assistance to Firefighters; Emergency Management Performance Grants; Urban Search and Rescue Grants; Justice Assistance Grants; Community-Oriented Policing Service Grants; and Department of Health and Human Services' public health and bioterrorism grants. [Sec. 4]	Would exclude the following grant programs: Assistance to Firefighters; Emergency Management Performance Grants; Urban Search and Rescue Grants; and any other grant not administered by DHS. [Sec. 3]
Grant Programs Covered by New Formula	Would include the following grant programs: SHSGP; UASI; and LETTP. [Sec. 4] Would establish a single grant program — Threat-Based Homeland Security Grant Program (TBHSGP) — that would include the grant programs listed above. [Sec. 4]	Would include the following grant programs: SHSGP; UASI; and LETTP. [Sec. 3]
Risk Criteria	Would allocate the UASI portion of TBHSGP funds to major metropolitan regions with the following criteria: target of prior terrorist attack; had a higher Homeland Security Advisory System threat level than the nation as a whole; large population or high population density; high threat and risk related to critical infrastructure; international border or coastline; bordering at-risk sites or activities in a nearby jurisdiction; unmet essential first responder capabilities; and any other threat factors as determined by the DHS Secretary. [Sec. 4]	Proposes that the First Responder Grants Board evaluate and prioritize state homeland security applications on the following risk criteria: "the variables of threat, vulnerability, and consequences with respect to the Nation's population (including transient commuting and tourist populations) and critical infrastructure." [Sec. 3]

Topic	S. 21	H.R. 1544
Risk Criteria (cont.)	Would allocate the SHSGP portion of TBHSGP funding to states according to the following criteria: target of prior terrorist attack within or in part of state; state has had a higher Homeland Security Advisory System Threat level than the nation as whole; percent of state's population residing in metropolitan statistical areas (as defined by the Office of Management and Budget); threat and risk related to critical infrastructure; international border or coastline; bordering at-risk sites or activities in a nearby jurisdiction; unmet essential first responder capabilities; and any other threat factors as determined by the DHS Secretary. [Sec. 4] Would allocate the LETPP portion of TBHSGP funding to metropolitan areas and states according to the following criteria: target of prior terrorist attack; has had a higher Homeland Security Advisory System Threat level than the nation as whole; threat and risk related to critical infrastructure; international border or coastline; large population or high population density; percent of state's population residing in metropolitan statistical areas (as defined by the Office of Management and Budget); unmet essential first responder capabilities; and any other threat factors as determined by the DHS Secretary. [Sec. 4]	
Funding Formula	Would allocate funding to states and localities in the following manner: Would establish a state and local first responder task force to assist the DHS Secretary in establishing first responder essential capabilities. [Sec. 4]	Would allocate funding to states and localities in the following manner: Would establish a state and local first responder task force to assist the DHS Secretary in updating, revising, or replacing first responder essential capabilities. [Sec. 3]

Topic	S. 21	H.R. 1544
Funding Formula (cont.)	Would guarantee each state and DC 0.55% of the total appropriations; Puerto Rico is guaranteed 0.35%; and other specified U.S. possessions are guaranteed 0.055% of the total appropriations. [Sec. 4] Would allow states to choose to accept an alternative guaranteed minimum amount which is based on a "sliding scale baseline allocation." [Sec. 4] Would allocate the remainder of the funds not distributed by the sliding scale baseline allocation or the fixed minimum based on risk and threat, with up to 50% to be distributed to high-threat, high-risk urban areas, and the remainder by risk to states. [Sec. 4]	Would establish a First Responder Grants Board that would evaluate and prioritize state and regional applications for grant funding based on: the degree to which the applications achieve, maintain, or enhance essential first responder capabilities; and threat to persons and critical infrastructure. [Sec. 3] Would allocate total appropriations based on DHS Secretary's discretion (based on threat and risk) and the First Responder Grant Board's evaluation and prioritization of homeland security assistance applications. [Sec. 3] Would guarantee states at least 0.25% of total appropriated funding for the covered grant program. [Sec. 3] Would guarantee at least 0.45% of total appropriated funding for the covered grant programs to states having a significant international border or adjoining a body of water which an international boundary line extends. [Sec. 3]
Cost Share	No Provision	Would require states to provide 25% matching of funds allocated through the covered grant program. [Sec. 3,]

Table 3. S. 21 Guaranteed Base Allocations and H.R. 1544 Guaranteed Minimum Allocations[a]
(All amounts in millions)

State	Census Bureau 2004 Population Estimate	S. 21 (Includes SHSGP, UASI, and LETTP)[b]		H.R. 1544 (Includes SHSGP, UASI, and LETTP)[c]	
		Fixed Minimum[d]	Choice Step[e]	0.25%[f]	0.45%[g]
Alabama	4,530,182	$14.85	$14.85	$6.75	—
Alaska	655,435	$14.85	$14.85	—	$12.15
Arizona	5,743,834	$14.85	$14.85	—	$12.15
Arkansas	2,752,629	$14.85	$14.85	$6.75	—
California	35,893,799	$14.85	$81.07	—	$12.15
Colorado	4,601,403	$14.85	$14.85	$6.75	—
Connecticut	3,503,604	$14.85	$19.46	$6.75	—
Delaware	830,364	$14.85	$14.85	$6.75	—
Florida	17,397,161	$14.85	$42.77	$6.75	—
Georgia	8,829,383	$14.85	$21.52	$6.75	—
Hawaii	1,262,840	$14.85	$14.85	$6.75	—
Idaho	1,393,262	$14.85	$14.85	—	$12.15
Illinois	12,713,634	$14.85	$31.14	$6.75	—
Indiana	6,237,569	$14.85	$16.29	$6.75	—
Iowa	2,954,451	$14.85	$14.85	$6.75	—
Kansas	2,735,502	$14.85	$14.85	$6.75	—
Kentucky	4,145,922	$14.85	$14.85	$6.75	—
Louisiana	4,515,770	$14.85	$14.85	$6.75	—
Maine	1,317,253	$14.85	$14.85	—	$12.15
Maryland	5,558,058	$14.85	$21.33	$6.75	—
Massachusetts	6,416,505	$14.85	$27.30	$6.75	—
Michigan	10,112,620	$14.85	$24.70	—	$12.15
Minnesota	5,100,958	$14.85	$14.85	—	$12.15
Mississippi	2,902,966	$14.85	$14.85	$6.75	—
Missouri	5,754,618	$14.85	$14.85	$6.75	—
Montana	926,865	$14.85	$14.85	—	$12.15
Nebraska	1,747,214	$14.85	$14.85	$6.75	—
Nevada	2,334,771	$14.85	$14.85	$6.75	—
New Hampshire	1,299,500	$14.85	$14.85	—	$12.15

State	Census Bureau 2004 Population Estimate	S. 21 (Includes SHSGP, UASI, and LETTP)[b]		H.R. 1544 (Includes SHSGP, UASI, and LETTP)[c]	
		Fixed Minimum[d]	Choice Step[e]	0.25%[f]	0.45%[g]
New Jersey	8,698,879	$14.85	$38.05	$6.75	—
New Mexico	1,903,289	$14.85	$14.85	—	$12.15
New York	19,227,088	$14.85	$48.10	—	$12.15
North Carolina	8,541,221	$14.85	$21.28	$6.75	—
North Dakota	634,366	$14.85	$14.85	—	$12.15
Ohio	11,459,011	$14.85	$29.28	—	$12.15
Oklahoma	3,523,553	$14.85	$14.85	$6.75	—
Oregon	3,594,586	$14.85	$14.85	$6.75	—
Pennsylvania	12,406,292	$14.85	$31.27	—	$12.15
Rhode Island	1,080,632	$14.85	$19.36	$6.75	—
South Carolina	4,198,068	$14.85	$14.85	$6.75	—
South Dakota	770,883	$14.85	$14.85	$6.75	—
Tennessee	5,900,962	$14.85	$15.06	$6.75	—
Texas	22,490,022	$14.85	$49.83	—	$12.15
Utah	2,389,039	$14.85	$14.85	$6.75	—
Vermont	621,394	$14.85	$14.85	—	$12.15
Virginia	7,459,827	$14.85	$19.16	$6.75	—
Washington	6,203,788	$14.85	$14.85	—	$12.15
West Virginia	1,815,354	$14.85	$14.85	$6.75	—
Wisconsin	5,509,026	$14.85	$14.85	—	$12.15
Wyoming	506,529	$14.85	$14.85	$6.75	—
DC+NCR	553,523	$14.85	$14.85	$6.75	—
Puerto Rico	3,894,855	$9.45	$9.45	$6.75	—
U.S. Virgin Islands	108,612	$1.49	$1.49	$2.16	—
Guam	154,805	$1.49	$1.49	$2.16	—
American Samoa	57,291	$1.49	$1.49	$2.16	—
Northern Marianas	69,221	$1.49	$1.49	$2.16	—
Total	297,940,188	$772.74	$1,062.44	$238.14	$206.55

a. In the FY2005 DHS appropriations (P.L. 108-334), Congress appropriated $1,100 million for SHSGP and $400 million for LETPP. SHSGP and LETPP were distributed to states based on a guaranteed minimum base of 0.75% of total appropriations for the programs. Actual FY2005 minimum allocation, including SHSGP and LETPP, was $11.25 million for States and $3.75 million for territories.

b. S. 21, Sec. 4 consolidates SHSGP, UASI, and LETPP into a single program — TBHSGP. In the FY2005 DHS appropriations, Congress appropriated $1,100 for SHSGP, $1,200 million for UASI, and $400 million for LETPP.

c. H.R. 1544, Sec. 3 does not consolidate SHSGP, UASI, and LETPP into a single covered grant.

d. States and D.C. receive 0.55% of TBHSGP; Puerto Rico receives 0.35%; and other U.S. territories and possessions receive 0.0055% of total appropriations.

e. States choose to receive either the sliding scale baseline minimum (explained in Appendix A) or the 0.55% minimum.

f. 0.25% is not a base, but an amount a state is guaranteed if threat and risk factors do not result in the state receiving 0.25% of total appropriations. H.R. 1544 authorizes DHS to determine what is a "significant international border."

g. 0.45% is not a base, but an amount a state is guaranteed if threat and risk factors do not result in the state receiving 0.45% of total appropriations. H.R. 1544 authorizes DHS to determine what is a "significant international border."

Appendix A: Grant Allocation Method in S. 21[21]

S. 21 establishes a "threat-based state homeland security grant program," which includes the State Homeland Security Grant Program, and the Law Enforcement Terrorism Prevention Program. Additionally, it includes discretionary grants for state and local programs administered by the DHS Office of State and Local Government Coordination and Preparedness (including the Urban Area Security Initiative (UASI) program) provided in §1804(B).

Estimates of the minimum amounts that would be available to qualifying jurisdictions as provided by the S. 21, are based on the following assumptions. Although § 1804(k) authorizes a total of $2.925 billion, our analysis uses $2.700 billion (the FY2005 appropriation for these programs). S. 21 includes a guaranteed minimum, and a risk-based funding for covered jurisdictions.

Guaranteed Funding. Funds are divided among the states, the District of Columbia (DC), and specified U.S. possessions as follows: Each state and DC, is entitled to 0.55% of the total appropriation; Puerto Rico gets 0.35%, and other specified U.S. territories and possessions receive 0.055% of the total.

Risk-based Funding. States are entitled to choose to accept an alternative to the guaranteed minimum amount which is based on a "sliding scale baseline allocation" (§ 1801(7)), which is calculated by multiplying 0.001 times:

(A) the value of a state's population relative to that of the most populous of the 50 states, where the population of the 50 states has been normalized to a maximum value of 100; and

(B) one-fourth of the value of a state's population density relative to that of the most densely populated of the 50 states, where the population density of the 50 states has been normalized to a maximum value of 100.

These two indexes are added into a single number X 28.62% of the total appropriation (the sum of the fixed guaranteed minimums: 51 X 0.55% (the states plus DC), plus, 0.35% (Puerto Rico), and 4 X 0.055% (U.S. Virgin Islands, Guam, American Samoa, and Northern Marianas)). Jurisdictions can compare the funding provided by the different methods and choose the higher amount.

The remainder of the funds not distributed by the sliding scale baseline allocation or the fixed minimum are distributed in the threat-based portion, with up to 50% to be distributed to high-threat urban areas (the UASI program), and the remainder by risk to states.

S. 21 Minimum Allocations, Step-by-Step. The following narrative and table 1 represents CRS's understanding of how an administrator in the Department of Homeland Security might create a "guaranteed minimum" funding allocation table

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[21] This information provided by David Huchabee, Specialist in American National Government, Government and Finance Division.

for jurisdictions entitled to funding according to §1804(A), (B) of S. 21. As noted above, jurisdictions are entitled to funding under the sliding scale baseline allocation formula, or the fixed minimum calculation.

Sliding Scale Minimum Steps

- **Step 1.** "Normalize" population figures and population density to 100 by setting the most populous, and most population-dense state to 100 and index other states to those values. This is done by dividing each jurisdiction's population (or density) by the state with the largest population (or density), and then multiplying the resulting quotient by 100.

- **Step 2.** Using the two step 1 indexes, create a combined multiplier for each state by adding the normalized population index to one fourth of the population density index and multiply the resulting sum by 0.001.

- **Step 3.** To compute the sliding scale minimum allocation, multiply each state's multiplier from step 3 times 28.62% of total authorization amount ($2.700 billion in this example).

Fixed Minimum Step

- **Step 4.** States and DC receive 0.55% of Threat-Based Homeland Security Grant Program; Puerto Rico receives 0.35%; and other U.S. territories and possessions receive 0.0055% of total appropriations.

Choice Step

- States choose to receive either the sliding scale baseline minimum from step 3, or the fixed minimum from step 4.

Table 4 shows minimum funding levels for each covered jurisdiction based on a total FY2005 appropriation of $2,700 million for SHSGP, UASI, and LETPP.

Table 4. S. 21: Guaranteed Minimums Assuming a $2,700 Million Appropriation for SHSGP, UASI, and LETPP

(All amounts in millions)

	Census Bureau 2004 population estimate		Land area	Population density	Sliding scale baseline allocation calculation:				4. Fixed minimum: States and DC receive 0.55% of threat-based homeland security grant program; PR gets 0.35%; and others receive 0.055% of total appropriation	5. Choice step: States choose to receive either the sliding scale baseline minimum, or the 0.55% minimum. ($1,062.44 million distributed by this step.)[c]
					1. "Normalize" pop. and pop. density to 100 by setting most populous, and most pop. dense state to 100 and index other states to those values		2. Using the two step 1 indexes, create a combined multiplier for each state by adding the normalized pop. index to 1/4th of the pop. density index and multiplying the resulting sum by 0.001.	3. Sliding scale min. allocation: multiply each state's multiplier from step 3 times 28.62% of total appropriation amount		
Jurisdiction	Population	Pro-portion of total pop.[a]	Land area	Population density	Normalized population index	Normalized pop. density index				
Alabama	4,530,182	0.02	50,744.00	89.28	12.62	7.61	0.01452	11.22	14.85	14.85
Alaska	655,435	0.00	571,951.26	1.15	1.83	0.10	0.00185	1.43	14.85	14.85
Arizona	5,743,834	0.02	113,634.57	50.55	16.00	4.31	0.01708	13.20	14.85	14.85
Arkansas	2,752,629	0.01	52,068.17	52.87	7.67	4.51	0.00880	6.80	14.85	14.85
California	35,893,799	0.12	155,959.34	230.15	100.00	19.62	0.10491	81.07	14.85	81.07
Colorado	4,601,403	0.02	103,717.53	44.36	12.82	3.78	0.01377	10.64	14.85	14.85
Connecticut	3,503,604	0.01	4,844.80	723.17	9.76	61.66	0.02518	19.46	14.85	19.46
Delaware	830,364	0.00	1,953.56	425.05	2.31	36.24	0.01137	8.79	14.85	14.85
Florida	17,397,161	0.06	53,926.82	322.61	48.47	27.51	0.05535	42.77	14.85	42.77
Georgia	8,829,383	0.03	57,906.14	152.48	24.60	13.00	0.02785	21.52	14.85	21.52
Hawaii	1,262,840	0.00	6,422.62	196.62	3.52	16.77	0.00771	5.96	14.85	14.85
Idaho	1,393,262	0.00	82,747.21	16.84	3.88	1.44	0.00424	3.28	14.85	14.85
Illinois	12,713,634	0.04	55,583.58	228.73	35.42	19.50	0.04030	31.14	14.85	31.14
Indiana	6,237,569	0.02	35,866.90	173.91	17.38	14.83	0.02109	16.29	14.85	16.29
Iowa	2,954,451	0.01	55,869.36	52.88	8.23	4.51	0.00936	7.23	14.85	14.85
Kansas	2,735,502	0.01	81,814.88	33.44	7.62	2.85	0.00833	6.44	14.85	14.85
Kentucky	4,145,922	0.01	39,728.18	104.36	11.55	8.90	0.01378	10.64	14.85	14.85
Louisiana	4,515,770	0.02	43,561.85	103.66	12.58	8.84	0.01479	11.43	14.85	14.85

| Jurisdiction | Census Bureau 2004 population estimate | | Land area | Population density | Sliding scale baseline allocation calculation: | | | 4. Fixed minimum: States and DC receive 0.55% of threat-based homeland security grant program; PR gets 0.35%; and others receive 0.055% of total appropriation | 5. Choice step: States choose to receive either the sliding scale baseline minimum, or the 0.55% minimum. ($1,062.44 million distributed by this step.)[c] |
| | Population | Pro-portion of total pop.[a] | | | 1. "Normalize" pop. and pop. density to 100 by setting most populous, and most pop. dense state to 100 and index other states to those values | 2. Using the two step 1 indexes, create a combined multiplier for each state by adding the normalized pop. index to 1/4th of the pop. density index and multiplying the resulting sum by 0.001. | 3. Sliding scale min. allocation: multiply each state's multiplier from step 3 times 28.62% of total appropriation amount | | |
					Normalized population index	Normalized pop. density index				
Maine	1,317,253	0.00	30,861.55	42.68	3.67	3.64	0.00458	3.54	14.85	14.85
Maryland	5,558,058	0.02	9,773.82	568.67	15.48	48.49	0.02761	21.33	14.85	21.33
Massachusetts	6,416,505	0.02	7,840.02	818.43	17.88	69.79	0.03532	27.30	14.85	27.30
Michigan	10,112,620	0.03	56,803.82	178.03	28.17	15.18	0.03197	24.70	14.85	24.70
Minnesota	5,100,958	0.02	79,610.08	64.07	14.21	5.46	0.01558	12.04	14.85	14.85
Mississippi	2,902,966	0.01	46,906.96	61.89	8.09	5.28	0.00941	7.27	14.85	14.85
Missouri	5,754,618	0.02	68,885.93	83.54	16.03	7.12	0.01781	13.76	14.85	14.85
Montana	926,865	0.00	145,552.43	6.37	2.58	0.54	0.00272	2.10	14.85	14.85
Nebraska	1,747,214	0.01	76,872.41	22.73	4.87	1.94	0.00535	4.14	14.85	14.85
Nevada	2,334,771	0.01	109,825.99	21.26	6.50	1.81	0.00696	5.38	14.85	14.85
New Hampshire	1,299,500	0.00	8,968.10	144.90	3.62	12.36	0.00671	5.18	14.85	14.85
New Jersey	8,698,879	0.03	7,417.34	1,172.78	24.24	100.00	0.04924	38.05	14.85	38.05
New Mexico	1,903,289	0.01	121,355.53	15.68	5.30	1.34	0.00564	4.36	14.85	14.85
New York	19,227,088	0.06	47,213.79	407.23	53.57	34.72	0.06225	48.10	14.85	48.10
North Carolina	8,541,221	0.03	48,710.88	175.35	23.80	14.95	0.02753	21.28	14.85	21.28
North Dakota	634,366	0.00	68,975.93	9.20	1.77	0.78	0.00196	1.52	14.85	14.85
Ohio	11,459,011	0.04	40,948.38	279.84	31.92	23.86	0.03789	29.28	14.85	29.28
Oklahoma	3,523,553	0.01	68,667.06	51.31	9.82	4.38	0.01091	8.43	14.85	14.85
Oregon	3,594,586	0.01	95,996.79	37.44	10.01	3.19	0.01081	8.36	14.85	14.85
Pennsylvania	12,406,292	0.04	44,816.61	276.82	34.56	23.60	0.04046	31.27	14.85	31.27
Rhode Island	1,080,632	0.00	1,044.93	1,034.17	3.01	88.18	0.02506	19.36	14.85	19.36
South Carolina	4,198,068	0.01	30,109.47	139.43	11.70	11.89	0.01467	11.33	14.85	14.85

| Jurisdiction | Census Bureau 2004 population estimate | | | | Sliding scale baseline allocation calculation: | | | 4. Fixed minimum: States and DC receive 0.55% of threat-based homeland security grant program; PR gets 0.35%; and others receive 0.055% of total appropriation | 5. Choice step: States choose to receive either the sliding scale baseline minimum, or the 0.55% minimum. ($1,062.44 million distributed by this step.)[c] |
| | Population | Pro-portion of total pop.[a] | Land area | Population density | 1. "Normalize" pop. and pop. density to 100 by setting most populous, and most pop. dense state to 100 and index other states to those values | | 3. Sliding scale min. allocation: multiply each state's multiplier from step 3 times 28.62% of total appropriation amount | | |
					Normalized population index	Normalized pop. density index	2. Using the two step 1 indexes, create a combined multiplier for each state by adding the normalized pop. index to 1/4th of the pop. density index and multiplying the resulting sum by 0.001.			
South Dakota	770,883	0.00	75,884.64	10.16	2.15	0.87	0.00236	1.83	14.85	14.85
Tennessee	5,900,962	0.02	41,217.12	143.17	16.44	12.21	0.01949	15.06	14.85	15.06
Texas	22,490,022	0.08	261,797.12	85.91	62.66	7.33	0.06449	49.83	14.85	49.83
Utah	2,389,039	0.01	82,143.65	29.08	6.66	2.48	0.00728	5.62	14.85	14.85
Vermont	621,394	0.00	9,249.56	67.18	1.73	5.73	0.00316	2.44	14.85	14.85
Virginia	7,459,827	0.03	39,594.07	188.41	20.78	16.07	0.02480	19.16	14.85	19.16
Washington	6,203,788	0.02	66,544.06	93.23	17.28	7.95	0.01927	14.89	14.85	14.89
West Virginia	1,815,354	0.01	24,077.73	75.40	5.06	6.43	0.00666	5.15	14.85	14.85
Wisconsin	5,509,026	0.02	54,310.10	101.44	15.35	8.65	0.01751	13.53	14.85	14.85
Wyoming	506,529	0.00	97,100.40	5.22	1.41	0.44	0.00152	1.18	14.85	14.85
DC+NCR[b]	553,523	0.00	N/A	N/A	N/A	N/A	N/A	0.00	14.85	14.85
Puerto Rico	3,894,855	0.01	N/A	N/A	N/A	N/A	N/A	0.00	9.45	9.45
U.S. Virgin Islands	108,612	0.00	N/A	N/A	N/A	N/A	N/A	N/A	1.49	1.49
Guam	154,805	0.00	N/A	N/A	N/A	N/A	N/A	N/A	1.49	1.49
American Samoa	57,291	0.00	N/A	N/A	N/A	N/A	N/A	N/A	1.49	1.49
Northern Marianas	69,221	0.00	N/A	N/A	N/A	N/A	N/A	N/A	1.49	1.49
Total	297,940,188	1.000						786.06	772.74	1,062.44

a. For display purposes, only two decimal places are shown in this column and the figures have been rounded. Calculations based on these proportions use unrounded figures, thus small jurisdictions that are displayed as "0.00" are larger than zero.

b. Urban Area Security Initiative (UASI) figures for the District of Columbia include funds for the National Capital Region (NCR) which comprises DC; the Maryland counties of Montgomery and Prince Georges; and the Virginia counties of Arlington, Fairfax, Prince William, and Loudon; and the Virginia cities of Alexandria, Falls Church, Manassas, and Manassas Park.

c. Remaining funds($1637.56 million in this example) are allocated by threat: up to half of the remaining funds are distributed through the UASI program; the rest by threat after considering specified threat criteria.

Appendix B: Grant Allocation Method in H.R. 1544

The following discussion demonstrates how the grant allocation method in H.R. 1544 would allocate federal homeland security assistance to states.

- **Step 1.** The DHS Secretary, with the assistance of a state and local responder task force, would update, revise, or replace essential capabilities for first responders' terrorism preparedness. The essential capabilities would be based on variables of threat, vulnerability, and consequences with respect to the nation's population (including transient, commuting, and tourist populations) and critical infrastructure.

- **Step 2.** The First Responder Grants Board would evaluate and prioritize state homeland security assistance applications based on the degree to which they would achieve, maintain, or enhance the essential capabilities of first responders. Additionally, the applications would be evaluated and prioritized on the extent to which an application lessened the threat to, vulnerability of, and consequences for, persons and critical infrastructure. Greater weight would be given to applications based on threats of terrorism that were specific and credible, including patterns of repetition.

- **Step 3.** Appropriations would be distributed based on the DHS Secretary's discretion and the First Responder Grants Board's evaluation and prioritization (based on risk) of homeland security assistance applications.

- **Step 4.** States without a significant international border[22] and not adjoining a body of water through which an international boundary line extends would receive at least 0.25% of the total appropriations. Assuming a total of $2,700 million, this amount would be $6.75 million.

- **Step 5**. States with a significant international border or adjoining a body of water through which an international boundary line extends would receive at least 0.45% of the total appropriations. Assuming a total of $2,700 million, this amount would be $12.15 million.

- **Step 6.** The U.S. Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands would receive at least 0.08% of total appropriations. Assuming a total of $2,700 million, the amount would be $2.16 million.

State amounts are shown in **Table 3** of this report.

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[22] H.R. 1544 proposes to authorize DHS to determine what is a "significant international border."